

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3094

ANSWERED ON:06.12.2007

SETTING UP OF SUBSIDIARY COMPANIES FOR GROUND HANDLING

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has initiated any proposal to set up subsidiary companies for ground handling by Air India Limited, Indian Airlines Limited and Airports Authority of India;
- (b) if so, the details in this regard and the present status thereof;
- (c) the time by which Government will finalise the setting up of subsidiaries companies for ground handling in the country;
- (d) whether the Airports Authority of India has fixed any criteria/ rules for ground handling system; and
- (e) if so, the details in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

- (a), (b), (c), (d) & (e) As per the new ground handling policy put in place by the Government, following entities are eligible to carry out ground handling services at metropolitan airports, i.e., the airports located at Delhi, Mumbai, Chennai, Kolkata, Bangalore and Hyderabad:-
1. (i) Airports Authority of India/ the airport operator itself or its Joint Venture Company;
 - (ii) Subsidiary companies of the national carrier, that is, National Aviation Company of India Limited or its joint ventures specialized in ground handling services on the basis of revenue sharing with airport operator subject to satisfactory observance of performance standards.
 - (iii) Any other ground handling service provider selected through competitive bidding on revenue sharing basis, subject to security clearance by the Central Government and observance of performance standards.
2. At all other airports, in addition to the entities specified above self handling may be permitted to the airlines, excluding foreign airlines. Government have not received any proposal from NACIL and Airports Authority of India to set up subsidiary company for Ground handling after the new ground handling regulations have been issued.